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5 **BEFORE THE PUBLIC DISCLOSURE COMMISSION**  
6 **OF THE STATE OF WASHINGTON**

7 IN RE THE MATTER OF ENFORCEMENT  
8 ACTION AGAINST

PDC CASE NO. 03-005

9 Washington State Democratic Central  
10 Committee

ORDER OF REFERRAL  
TO THE WASHINGTON STATE  
ATTORNEY GENERAL'S  
OFFICE

11 Respondent.  
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14 **INTRODUCTION**  
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16 On July 8, 2002, PDC staff filed a complaint against the Washington State Democratic Central  
17 Committee (WSDCC) alleging that it violated RCW 42.17.065, 42.17.080 and 42.17.090 by  
18 failing to report or timely report over \$5,931,000 in contributions into its exempt funds account  
19 during 2000:

- 20       ▪ On August 30, 2001, the WSDCC filed 24 reports reflecting over \$2,976,000 in  
21       contributions received in September and October, 2000, from federal political  
22       committees associated with the National Democratic Party and other sources;  
23       ▪ On October 16, 2001, the WSDCC filed a report indicating receipt of \$100,000 on  
24       October 20, 2000, from the Democratic Senatorial Campaign Committee;  
25       ▪ On January 8, 2002, the WSDCC filed 12 reports reflecting nearly \$1,795,000 in  
26       contributions received between October and December, 2000, from federal

1 political committees associated with the National Democratic Party and other  
2 sources; and  
3       ▪ Information from news sources citing Federal Election Commission reports  
4 indicated an additional \$1,060,000 in contributions was received by the WSDCC  
5 from federal political committees associated with the National Democratic Party  
6 and had not yet been reported.

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8 As part of the investigation, staff reviewed all activities of the exempt account to determine if the  
9 WSDCC properly and timely filed last minute contribution reports (RCW 42.17.105) and timely  
10 reported expenditures (RCW 42.17.065, 42.17.080 and 42.17.090) in 2000.

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12 At its meeting on August 27, 2002, held in Hearing Room 2 of the John A. Cherberg Building,  
13 Olympia, WA, the Commission reviewed the Report of Investigation, the Exhibits to the Report  
14 of Investigation, and the Executive Summary and Staff Recommendations regarding Staff's  
15 complaint. Susan Harris, Assistant Director representing Staff, presented the Commission with  
16 an oral summary of the findings and alleged apparent violations by the WSDCC. Kevin  
17 Hamilton, counsel for the WSDCC, submitted a letter and orally responded to the allegations.

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19 Chair Michael Connelly, Vice Chair Susan Brady, Commissioner Christine Yorozu and  
20 Commissioner Francis Martin were present and participated. Commissioner Lois Clement  
21 recused herself from the proceedings.

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23 Following the oral presentation by Staff, and consideration of the material submitted by Staff and  
24 the Respondent, and after deliberation, the Commission directed the following:

**ORDER OF REFERRAL**

By a vote of 4-0, the Commission found the WSDCC in apparent violation of:

1. RCW 42.17.065, 42.17.080 and 42.17.090 by failing to timely report \$5,956,418 in contributions to its exempt account in 2000;
2. RCW 42.17.065, 42.17.080 and 42.17.090 by failing to timely report \$1,065,000 in expenditures from its exempt account in 2000; and
3. RCW 42.17.105 for failing to file reports of last minute contributions received within 7 days of the primary election (\$505,603) and within twenty-one days of the general election (\$16,872).

The Commission found that given the insufficiency of its penalty authority, in lieu of holding an enforcement hearing, the Commission hereby refers the above referenced apparent violations to the Washington State Attorney General's Office for appropriate action pursuant to RCW 42.17.360 and .395 and WAC 390-37-100.

/s/

8/30/02

\_\_\_\_\_  
Vicki Rippie, Executive Director

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Date Signed

*Copies to be provided to:*  
Linda A. Dalton, Senior Assistant Attorney General  
Counsel for Commission Staff  
Nancy Krier, Assistant Attorney General  
Counsel for Commission  
Kevin Hamilton, Perkins Coie  
Counsel for WSDCC